

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 7537

BILL NUMBER: HB 1397

NOTE PREPARED: Jan 9, 2011

BILL AMENDED:

SUBJECT: Legal Costs.

FIRST AUTHOR: Rep. Wesco

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires a court to award attorney's fees to the prevailing party in all civil actions.

Effective Date: July 1, 2011.

Explanation of State Expenditures: This bill may potentially result in cost savings to the state. The Office of the Attorney General represents the state in cases where the state is a defendant in a civil lawsuit. If the state of Indiana is a defendant in a lawsuit and the state prevails, the Office of the Attorney General could produce a detailed summary of the costs for the case in which it prevailed and potentially recover some or all of the costs.

The bill also provides that the Legislative Services Agency is to prepare legislation for the regular session of the General Assembly to organize and correct statutes affected by this bill.

Explanation of State Revenues:

Explanation of Local Expenditures: This bill may potentially result in cost savings to local governments. Counties and municipalities either retain attorneys by contract or have attorneys on staff. If a local government prevails in a lawsuit, the local unit of government may be able to recover some or all of the costs of legal representation.

Explanation of Local Revenues:

State Agencies Affected: Office of the Attorney General; Legislative Services Agency.

Local Agencies Affected: County and municipal governments.

Information Sources:

Fiscal Analyst: Mark Goodpaster, 317-232-9852.